

Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

reserve
.9
t2F

Foreign

CROPS AND MARKETS



FOR RELEASE MONDAY, JULY 27, 1959

VOLUME 79

CONTENTS

NUMBER 4

PAGE

COTTON

Canada Using More Cotton.....	18
Cotton Consumption Improving Abroad; Larger Imports Expected	18
Portuguese Colonial Cotton Prices Reduced	20
India's 1958-59 Cotton Crop Below Last Year's	20
Egypt Reduces Cotton Acreage for 1959-60.....	21

DAIRY AND POULTRY PRODUCTS

Dutch Authorize Wider Sale of Ready-To-Cook Poultry	2
Cuba Tackles Surplus Egg Problem.....	11

FATS, OILSEEDS, AND OILS

Canada To Build Processing Plant for Tall Oil	14
Australia Harvests Record Peanut Crop	16
Soybean Oil Hydrogenation Plant Planned in Venezuela	17
Indonesian Exports of Copra and Oil Palm Products Down in 1959.....	22

FOREIGN TRADE DEVELOPMENTS

Malaya Lifts Restrictions on Most Imports From Dollar Areas.....	6
Australian Trade Groups Press for Lower Freight Rates	17

FRUITS, VEGETABLES, AND NUTS

Brazil Nut Export Exchange Rate Increased.....	2
Canada Approves Import of Color-Added Oranges	8
1959 Indian Cashew Supplies To Be Lower.....	8
Greek Raisin and Currant Exports Decline.....	9
Cuba Exports More Fruit to U. S.	9
Chilean Bean and Lentil Crops Down Sharply.....	18

GRAINS, FEEDS, SEEDS, AND HOPS

Greek Government Reduces Wheat Purchases and Support Prices.....	4
Support Prices Lowered for Eastern Canada's Wheat, Oats, and Barley.....	6
Argentina Reestablishes Free Trade in Wheat	7
Uruguay's Wheat Acreage Small.....	12
Argentine Grain Exports Higher Than Last Year	12

(Continued on following page)

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE
WASHINGTON 25, D. C.

CONTENTS (Continued)

	Page
GRAINS, FEEDS, SEEDS, AND HOPS (CONT.)	
Italy Has Large Wheat Crop.....	14
Canadian Wheat and Flour Exports Remain Low.....	14
West Bengal Has Rice Shortage.....	16
Thailand Reduces Rice Export Premiums.....	17
LIVESTOCK AND MEAT PRODUCTS	
Hong Kong Becomes Prospective Market for Pork Products.....	9
Paraguay's Meat Export Pattern Changing.....	10
Yugoslavia Launches Ambitious Livestock Program.....	10
National Meat Board Created in Uruguay.....	12
SUGAR AND TROPICAL PRODUCTS	
Colombian Coffee Exports Up.....	11
U.S. Imports of Vegetable Fibers in 1958 Larger in Quantity But Smaller in Value.....	23
TOBACCO	
Libyan Tobacco Production Down, But Cigarette Output Up.....	3
Ireland's Tobacco Imports Increase; U.S. Share Reaches 96 Percent...	3
Yugoslav Tobacco Exports Sag in First Quarter.....	4
Rhodesian Federation Harvests Record Flue-Cured Tobacco Crop.....	4
Ecuadoran Survey Team Urges Greater Flue-Cured Production.....	4

ooOoo

DUTCH AUTHORIZE WIDER SALE OF READY-TO-COOK POULTRY

A bill has been passed in the Netherlands to license the sale of frozen ready-to-cook poultry in groceries and general food stores. This will give Dutch consumers wider opportunity to buy good-quality frozen poultry. Previously, licenses were limited to small dealers and street vendors, who sold mostly "old hens."

As a result of the new law, Dutch importers are showing more interest in importing U.S. ready-to-cook poultry, and imports are already increasing.

BRAZIL NUT EXPORT EXCHANGE RATE INCREASED

The Brazilian Superintendency of Currency and Credit has placed Brazil nuts in the free-market export category. Exporters of Brazil nuts will henceforth benefit from a free exchange rate of 149 cruzeiros to the dollar. The previous applicable rate was 100 cruzeiros to the dollar. In licensing exports, an effort will be made to insure adequate supplies for the domestic market.

LIBYAN TOBACCO PRODUCTION DOWN,
BUT CIGARETTE OUTPUT UP

Only 1.9 million pounds of tobacco were produced in Libya in 1958, against 2.8 million pounds in 1957. Tobacco acreage declined 11 percent to 1,767 acres, compared with 2,018 acres the year before. Production per acre declined from 1,362 pounds per acre in 1957 to 1,064 pounds in 1958. Since a large surplus has accumulated, the State Tobacco Monopoly will endeavor to limit 1959 production by plant spacing.

A modern factory in Tripoli produces 6 brands of cigarettes and other tobacco products for domestic consumption. Overall output of this factory increased 10 percent in 1958. Of the 472 million cigarettes consumed in Libya in 1958, 89 percent were manufactured in Tripoli, 7 percent were imported from the United States, and 4 percent from Britain.

IRELAND'S TOBACCO IMPORTS INCREASE;
U.S. SHARE REACHES 96 PERCENT

Ireland imported 13 million pounds of unmanufactured tobacco in 1958, of which the United States supplied 12.5 million pounds or 96 percent. In 1957, imports amounted to 10.7 million pounds, the U.S. share being 87 percent. As in previous years, the Federation of Rhodesia and Nyasaland, Canada, and India supplied most of the remainder of Ireland's tobacco imports.

Average prices paid for 1958 imports in terms of U. S. equivalent per pound, with 1957 prices in parenthesis were as follows: United States, 84 cents (79); Federation of Rhodesia and Nyasaland, 46 cents (51); Canada, 56 cents (50); India, 21 cents (41).

TOBACCO, UNMANUFACTURED: Ireland, imports by country of origin,
quantity and average price, 1957 and 1958

Country of origin	1957		1958	
	Quantity	Average price ^{1/}	Quantity	Average price ^{1/}
	<u>pounds</u>	<u>U.S. cents per pound</u>	<u>pounds</u>	<u>U.S. cents per pound</u>
United States.....	9,366	79	12,516	84
Canada.....	81	50	119	56
Rhodesias-Nyasaland.....	803	51	274	46
India.....	471	41	67	21
Others.....	4	2/372	9	36
Total.....	10,725	75	12,985	83

^{1/} Converted at the equivalent of U.S. \$2.80 = 1 £. ^{2/} Primarily high-priced Indonesian cigar wrapper.

YUGOSLAV TOBACCO EXPORTS SAG IN FIRST QUARTER

Yugoslavia exported 12.1 million pounds of tobacco in January-March 1959, 20 percent less than in the comparable period of 1958.

The United States took far less tobacco in 1958 than previously, and Hungary none at all. Exports of Yugoslav tobacco for 1959 are forecast at about 44 million pounds, compared with the record of nearly 51 million a year ago.

RHODESIAN FEDERATION HARVESTS RECORD FLUE-CURED TOBACCO CROP

A record crop of flue-cured tobacco has been harvested in the Federation of Rhodesia and Nyasaland, an estimated 194 million pounds. Production in Southern and northwestern Rhodesia amounted to 190 million pounds and yields there averaged about 880 pounds per acre, both records. Previous production record was 178 million pounds in 1956.

A Rhodesian tobacco trade delegation is on a 2-month tour to study the types, grades, and prices of tobacco being imported by Australia, New Zealand, Japan, China, and countries in the Middle East and northern Africa.

ECUADORAN SURVEY TEAM URGES GREATER FLUE-CURED PRODUCTION

An Ecuadoran Government economic study group is urging that flue-cured production be increased to lessen the country's needs for tobacco imports.

Most of the tobacco now grown in Ecuador is strong, dark leaf not suitable for the manufacture of light cigarettes, which are steadily increasing in popularity. Consequently, imports of both cigarettes and blended cigarette tobaccos are considerable, with the United States the major supplier. In the foreseeable future, Ecuador is not likely to become independent of imports.

GREEK GOVERNMENT REDUCING WHEAT PURCHASES AND SUPPORT PRICES

In view of another bumper wheat crop, now estimated at about 1,800,000 metric tons (last year's record was 1,787,000 tons), the Greek Government will be buying less homegrown wheat at lower guaranteed prices than in 1958-59. The government's policy is to assure small producers good returns on wheat sold to the government and reasonable prices for wheat sold on the free market.

The guaranteed price for government purchases during 1959-60 will range from 3.34 to 4.48 drachmas per oka (\$2.37 to \$3.18 per bushel), depending on the category of the grower. The 1958-59 guaranteed price ranged from 3.50 to 4.60 drachmas per oka (\$2.48 to \$3.26 per bushel). Government purchases this year will be limited to 400,000 tons, compared with 491,000 tons from the 1958 crop. Price guarantees and purchases from each producer category follow.^{1/} Most of the growers are in the 7 to 30 stremma category.

Producer category		Guaranteed price		Permissible deliveries by individual growers	
		Drachmas	Dollars	Per stremma	Total
<u>Stremmas</u>	<u>Acres</u>	<u>Per oka</u>	<u>Per bushel</u>	<u>Okas</u>	<u>Okas</u>
7 to 10	1.7 to 2.5	4.48	3.18	2/	3/ 300
10 to 30	2.5 to 7.4	4.48	3.18	4/ 60	5/ 300
30 to 40	7.4 to 9.9	4.00	2.83	4/ 50	3/ 1,500
40 to 80	9.9 to 19.8	3.34	2.37	2/	3/ 1,800

^{1/} Exchange value of the drachma is 30 to the dollar; 1 stremma is equivalent to 0.2471 acres; and 1 oka to 2.822 pounds. ^{2/} Not fixed. ^{3/} Maximum amount that may be delivered to the government by any one grower for the price guarantee. ^{4/} Maximum amount that may be delivered per stremma after deduction of 10 stremmas. ^{5/} Minimum amount that may be delivered to the government by any one grower for the price guarantee.

Farmers may sell as much of the crop as they wish on the open market. Realizing that the record 1959 crop would tend to depress free market prices immediately after harvest, the government this year will finance cooperative organizations to enable them to buy enough wheat to maintain the open market price at around 3.00 drachmas per oka (\$2.13 per bushel). In addition, millers must use 100 percent free-trade wheat in making commonly used flour types. Such purchases by cooperatives and millers will be in addition to government purchases of 400,000 tons.

Wheat imports are government-controlled and are relatively small. They consist mainly of U.S. No. 2 Hard Winter. On April 11, 1959, the government decreed that the entire amount of government-held U.S. wheat (45,720 metric tons on April 30) was to be delivered to millers for luxury types of flour at 5.50 drachmas per oka (\$3.90 per bushel) in order to discourage blending of such wheat in making other flours, the selling price of which is under strict government control.

As a result of good prices, an upward trend in acreage, and good yields, Greece had a surplus of wheat for export early in 1959. Late in 1958, it had already announced that it intended to promote a shift from wheat to other crops (see Foreign Crops and Markets, Dec. 29, 1958, and July 13, 1959). However, because of price supports for homegrown wheat, acreage for the 1959 harvest is the largest on record.

SUPPORT PRICES LOWERED FOR EASTERN CANADA'S WHEAT, OATS, AND BARLEY

Canada's Agricultural Stabilization Board recently announced that 1959-60 support prices for grain produced in Eastern Canada will be 3 cents per bushel lower than a year ago for wheat and 2 cents lower for oats and barley.

The new price schedule applies basically to grain grown in Ontario. For grain grown in other parts of Eastern Canada (Quebec, New Brunswick, Nova Scotia, and Prince Edward Island), guaranteed minimum floor prices will be in appropriate relationship to those for Ontario.

The Canadian Agricultural Stabilization Act, effective March 3, 1958, set up a board with authority to fix minimum producer prices each year for 9 key commodities (cattle, hogs, sheep, butter, cheese, and eggs produced anywhere in Canada, and for wheat, oats, and barley grown outside of the provinces covered by the Canadian Wheat Board Act (Manitoba, Saskatchewan, Alberta, and British Columbia). Each year's guaranteed floor price must be fixed at not less than 80 percent of the average at representative markets during the 10 immediately preceding years.

The board also has the authority to fix guaranteed producer prices for any other natural or processed agricultural product that may be designated by the Governor in Council. During 1958-59, such price supports were extended by the board to 23 agricultural products, either through an offer to purchase at the minimum price or through payments making up the deficiency between the minimum price and the market price received by the producer.

GRAIN: Eastern Canada, minimum 1959-60 producer prices

Grain	10-year average base price <u>1/</u>	Guaranteed minimum floor price <u>1/</u>	
		1958-59 season	1959-60 season
	Dollars per bushel	Dollars per bushel	Dollars per bushel
Wheat.....	<u>2/</u> 1.74	1.42	1.39
Oats.....	0.705	0.58	0.56
Barley.....	1.01	0.83	0.81

1/ For grade No. 2 Canada Eastern or better, on track Ontario shipping points.

2/ 14 percent moisture.

MALAYA LIFTS RESTRICTIONS ON MOST IMPORTS FROM DOLLAR AREAS

Singapore and the Federation of Malaya have announced removal of restrictions on direct importation of all but 14 items from the United States and other dollar areas, beginning August 1, 1959. Reexports of dollar goods from Singapore and Penang will also be permitted.

Agricultural items still requiring special import licenses are fresh eggs, hides and skins, live poultry, meats (except canned meats), plants, and rice. Licenses for most of these are expected to be freely granted.

An increase in direct trade with the United States is expected to improve the market for some U.S. agricultural commodities. Last year 73 percent of Malaya's agricultural imports from the United States were shipped through Hong Kong, adding approximately 5 percent to the price of most items.

ARGENTINA ESTABLISHES FREE TRADE IN WHEAT

The Argentine Government on July 13 reestablished free trade in wheat, the first time in many years that the country's wheat trade has been free of governmental control. Trade in other grains was freed more than 2 years ago. Previously, all wheat had to be sold to the National Grain Board at a fixed price. The latter in turn sold to private traders for domestic consumption and for export.

The Grain Board, however, will continue to maintain guaranteed minimum producer prices for wheat, operate terminal elevators, and buy wheat, as it does corn, oats, and barley, whenever growers are unable to sell to the private trade at the guaranteed minimum. On July 13 the guaranteed minimum for wheat was raised to 300 pesos per quintal (\$1.00 per bushel at 81.3 pesos to the dollar). Before that date it was 200 pesos per quintal (\$0.67 per bushel).

Apparently, the government will also continue to levy a tax on grain exports. This tax is equivalent to 20 percent of an f.o.b. export valuation fixed from time to time by the government for that specific purpose. This system assures the government of substantial revenue. It also forces the exporter to sell at a high enough price to cover his tax obligations, maximizes Argentina's foreign exchange earnings, and prevents exporters from making exorbitant profits. The August export valuations compared with those for June and July follow.

Grain	June 1959			July 1959			August 1959		
	Per	Per		Per	Per		Per	Per	
	metric ton	bushel		metric ton	bushel		metric ton	bushel	
	Pesos	Dollars	Dollars	Pesos	Dollars	Dollars	Pesos	Dollars	Dollars
Wheat.....	3,900	47.97	1.31	4,400	54.12	1.47	4,500	55.35	1.51
Corn.....	3,300	40.59	1.03	3,800	46.74	1.19	3,800	46.74	1.19
Barley.....	3,300	40.59	.88	3,700	45.51	.99	3,700	45.51	.99
Rye.....	3,300	40.59	1.03	3,700	45.51	1.16	3,700	45.51	1.16
Oats.....	3,400	41.82	.61	3,900	47.97	.70	4,100	50.43	.73
Sorghums.....	2,700	33.21	.84	3,300	40.59	1.03	3,400	41.82	1.06
Millet.....	2,700	33.21	.75	3,100	38.13	.86	3,100	38.13	.86

CANADA APPROVES IMPORT OF COLOR-ADDED ORANGES

The Canadian Government has approved, effective immediately, the sale of oranges colored with citrus red number 2. This action follows the establishment of tolerances for this color by the U. S. Food and Drug Administration. Previously Canada banned imports of color-added oranges.

1959 INDIAN CASHEW SUPPLIES TO BE LOWER

The Indian trade estimates 1959 cashew production (including 4,000 short tons grown in Portuguese Goa) at 66,000 tons, unshelled. Production in both 1957 and 1958 amounted to 77,000 tons. Earlier estimates had indicated a record harvest this year, but drought during the flowering period and early rains at harvest sharply reduced the crop potential. Quality of the 1959 crop, however, is regarded as satisfactory.

Indian imports from East Africa are expected to be down one-third from the record 135,000-ton level of last season. The East African cashew crop, record-large in 1957-58, was smaller this season. Imports into India through June 1959 (from the 1958-59 harvest) are estimated at 74,000 short tons. An additional 16,000 tons from the African harvest are expected to arrive in India before the end of September. Except for nuts grown in the Laurencio Marques area of Portuguese East Africa, the quality of this season's African nuts is regarded as satisfactory.

CASHEWS, IN-SHELL: India, supply and distribution, 1957 and 1958, forecast 1959 (Portuguese Goa included)

Item	1957	1958	Forecast 1959
	Short tons	Short tons	Short tons
Beginning stocks.....	1,000	3,000	22,500
Production.....	77,000	77,000	66,000
Imports, East Africa.....	107,400	135,000	90,000
Total supplies.....	185,400	215,000	178,000
Domestic consumption.....	10,800	5,900	4,700
Exports.....	1/162,600	186,600	165,300
End stocks.....	3,000	22,500	8,500
Total.....	185,400	215,000	178,500

1/ About 9,000 tons discarded because of inferior quality.

As of July 1, 1959, packed kernels, c. & f. New York, were quoted at 49 cents per pound, compared with 48 and 50 cents per pound on July 1, 1958, and 1957, respectively.

GREEK RAISIN AND CURRANT
EXPORTS DECLINE

Largely because of the short 1958 pack, Greek raisin exports between September 1, 1958, and June 15, 1959, at 41,315 short tons were down one-third from the 61,996-ton level for the corresponding period a year earlier.

Greek currant exports were also down, but to a lesser extent--62,811 short tons for the September 1, 1958-June 15, 1959 period, compared with 65,700 tons in the corresponding 10½ months of 1957-58.

The market for Greek raisins and currants was reported slow during late June but the trade hoped to export at least half of the remaining 6,600 tons of currants prior to August 31, when the unsold part of the pack is scheduled for conversion to alcohol. No disposal problem is expected for the few remaining stocks of raisins. As of late June, about 800 tons of export-quality dried figs remained. Unless some unforeseen demand develops, these will also be processed into alcohol.

CUBA EXPORTS MORE
FRUIT TO U.S.

When the Cuban marketing season for mangoes closed in June, a total of 2,292,234 pounds had been exported to the United States, compared with 557,441 pounds in 1958. Exports in June 1959 were about 953,200 pounds. Good growing weather enabled Cuba to have sizable supplies of export-quality fruit to fill exceptional U. S. demand, and U. S. prices for mangoes were high.

Cuban exports of oranges (in bulk) were 8.9 million pounds in June. This was 4.0 million pounds more than June 1958 exports. Reports indicate all oranges were shipped to Florida for juice processing.

June also marked the opening of the Cuban avocado export season, with exports to the United States totaling 720,280 pounds. There were no avocado exports in June last year.

Approximately 20,250 pounds of Cuban limes were exported to the United States in June, compared with 318,300 pounds in June 1958. This decrease is attributed to the increase in Florida's lime production.

HONG KONG BECOMES PROSPECTIVE
MARKET FOR PORK PRODUCTS

High pork prices in Hong Kong are encouraging imports. The high prices are the result of a reduction in supplies from Mainland China, which usually furnishes most of the imports for the Colony. The pork shortage is expected to continue through 1959.

In recent months the price for live hogs in Hong Kong has ranged between \$23 and \$38 per 100 pounds. Most hogs have sold for \$30 to \$31 per 100 pounds. These prices are much higher than in the United States and U.S. exporters of pork might compete successfully in the Hong Kong market.

PARAGUAY'S MEAT EXPORT PATTERN CHANGING

The U.S. prohibition of last May 15 on imports of salted boneless refrigerated beef from countries where foot-and-mouth disease exists is causing some changes in Paraguay's meat industry. Packers who have shipped this meat to the United States must now prepare canned or fully cured meats or seek new export outlets.

The United States imported 8,911,000 pounds of canned beef from Paraguay in 1958, compared with 5,782,000 a year earlier. Imports during January-May 1959 totaled 2,198,000 pounds. Imports of other meats (mostly salted refrigerated boneless beef) amounted to 5,474,000 pounds in 1958 and 3,849,000 during the first 5 months of 1959. There were no imports in 1957.

Several small companies started preparing salted boneless beef for the U.S. market during 1958. Only one large packing plant concentrated on meat for export to the United States. Prospects for the smaller companies, which lack facilities for canning, are to establish other markets--mainly in Europe--or go out of business. They are doubtful if they can find as good a market for this meat in Europe. If they go out of business, it will mean less competition in livestock buying for the larger packers.

YUGOSLAVIA LAUNCHES AMBITIOUS LIVESTOCK PROGRAM

Two hundred thousand cattle and 1,100,000 hogs from improved breeds are expected to be fattened in Yugoslavia this year under government programs.

The Yugoslav Federal Food Administration has already signed contracts with state farms and private cooperatives for the fattening of 850,000 hogs during 1959. These contracts call for market weights of 220 to 260 pounds for lard-type hogs and 220 pounds for meat-type hogs. Of the hogs under contract feeding, about 80 percent are meat types such as the English Large Whites and Yorkshires. Twenty percent are a native Mongolian breed of lard hogs.

A 1960 plan calls for feeding 478,000 head of cattle, 2,700,000 hogs, and approximately 1,000,000 sheep and lambs.

The new livestock program calls for large imports of breeding stock. Importation plans for 1960 include about 15,000 cattle (mostly dairy), 1,000 rams and ewes, and 2,000 white, meat-type hogs. Yugoslavia usually imports livestock from European countries, but foreign exchange problems have tended to restrict imports. Interest has been evidenced in importing some U.S. livestock.

CUBA TACKLES SURPLUS EGG PROBLEM

In an effort to alleviate the present surplus egg situation, the Cuban Government and representatives of the egg industry have adopted the following measure:

Producers will begin to place their fresh, ungraded eggs in government cold storage, where eggs will be graded as small, medium, large, and extra large. The medium and large-size eggs will be separated for export. Negotiations are now being carried on for the possible sale of 900,000 dozen at about 37 cents per dozen, c.i.f. Venezuela. If the sale goes through, 450,000 dozen will be exported in July and the remainder in August.

When domestic prices reach satisfactory levels, extra-large and small-size eggs will be sold on the domestic market in case lots at an average of about 43 cents per dozen. It is planned that this price will compensate for any loss in export sales. The current retail price for table eggs is about 36 cents per dozen.

COLOMBIAN COFFEE EXPORTS UP

Preliminary reports indicate that Colombia's coffee exports during the first 6 months of 1959 totaled 2,800,459 bags of 60 kilograms each (132 pounds). This would be an increase of 29 percent (625,636 bags) from exports during the corresponding period last year.

For the year ending June 30, 1959, exports reached 6,066,264 bags, compared with 4,956,895 bags during the 1957-58 crop year. The destination of these exports was as follows:

Destination	Total exports (132-pound bags)	
	1958-59	1957-58
United States.....	4,740,335	4,074,554
Europe.....	1,200,207	786,773
Other countries.....	125,722	95,563
Total.....	6,066,264	4,956,895

Although exports of coffee in 1958-59 were about 22 percent above the preceding year, foreign exchange earnings remained about the same, due to a drop in price over this period. In 1957-58 the New York price of Colombian coffee averaged about 57 cents per pound, compared with an average of 47 cents per pound in 1958-59.

NATIONAL MEAT BOARD CREATED IN URUGUAY

The new Uruguayan Nationalist Government established a National Meat Board on June 5.

The board was created to solve what the government considers to be an unbalanced condition in the production, consumption, and export of meat. Livestock productivity is inadequate to maintain a desirable level of domestic meat consumption, necessary exports to improve the country's trade balance, and enough employment for workers in the meatpacking industry.

The board is subordinated to the Agriculture and Livestock Ministry and is an honorary advisory commission to the executive power. It has 14 members representing all economic groups interested in meat. Previous examinations and investigations of the meat industry's problems were made by uncoordinated individual interests.

URUGUAY'S WHEAT ACREAGE SMALL

Prolonged rain in Uruguay held up wheat seeding during May and June, the main planting season. As a result, less than 10 percent of the crop had been seeded by July 1. Recent reports note that unless planting could be resumed soon, growers would shift to other crops and wheat acreage would be the smallest in many years.

Wheat yields have been small for the past 2 years. With the third bad crop in a row now in prospect, indications are that there will not only be no surplus for export but that this usual exporting country may be on a net import basis for wheat.

ARGENTINE GRAIN EXPORTS HIGHER THAN LAST YEAR

Grain exports from Argentina during July-May 1958-59 were about 17 percent higher than during the first 11 months of 1957-58.

Wheat exports were about 30 percent higher. Large shipments to Brazil, the Netherlands, and the United Kingdom accounted for most of the increase. However, wheat exports to West Germany and many other countries were reduced. Chile took none at all, against 194,000 metric tons the year before.

Corn exports during July-May 1958-59 were more than double those in comparable 1957-58. Exports to Italy made the greatest gain. Other countries taking considerably more were the Netherlands, the United Kingdom, Japan, and West Germany. Corn exports to Belgium-Luxembourg were down about 16 percent from a year earlier.

Exports of the lesser grains (barley, oats and rye) were about 64 percent lower in the first 11 months of 1958-59 than during July-May 1957-58.

GRAIN: Argentine exports, July-May 1957-58 and July-May 1958-59

Destination	Wheat	Rye	Corn	Oats	Barley	Total
	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
July-May 1957-58:						
United States	—	—	1,570	—	—	1,570
Bolivia	3,000	—	—	—	—	3,000
Brazil	629,723	—	—	7,471	1,615	638,814
Chile	194,494	—	75	—	—	194,569
Paraguay	54,890	—	—	—	—	54,890
Peru	77,050	—	6,000	—	—	83,050
Austria	550	2,000	3,735	450	930	7,665
Belgium-Luxembourg ..	63,917	16,241	218,948	37,110	22,401	358,617
Czechoslovakia	—	—	—	8,754	2,650	11,404
Denmark	16,572	5,000	4,825	49,906	—	76,303
Finland	—	21,515	—	800	—	22,315
France	12,300	—	4,585	510	1,490	18,885
Germany, West	349,264	69,246	94,557	117,115	286,904	917,086
Italy	90,843	62,209	273,856	80,111	52,763	559,782
Netherlands	98,129	70,543	208,924	119,277	77,769	574,642
Norway	3,000	7,825	—	—	—	10,825
Spain	4,800	—	—	—	—	4,800
Sweden	850	10,750	100	17,971	—	29,671
Switzerland	13,500	2,310	15,105	38,413	2,596	71,924
United Kingdom	262,125	953	24,229	40,494	10,022	337,823
Yugoslavia	1,000	—	—	2,990	11,240	15,230
Japan	—	—	34,150	—	—	34,150
North Africa	9,385	—	2,000	—	—	11,385
South Africa	16,660	—	—	8,686	1,385	26,731
Total	1,902,057	268,592	892,659	530,058	471,765	4,065,131
July-May 1958-59:						
United States	—	—	5,013	—	—	5,013
Bolivia	16,500	—	—	—	—	16,500
Brazil	1,233,817	—	—	10,687	2,910	1,247,414
Paraguay	55,138	—	—	—	—	55,138
Peru	80,349	—	—	—	—	80,349
Uruguay	—	—	472	—	940	1,412
Austria	10,713	—	9,870	—	—	20,583
Belgium-Luxembourg ..	61,881	5,870	188,219	8,777	5,711	270,458
Czechoslovakia	—	—	2,850	1,500	—	4,350
Denmark	19,799	6,200	11,013	15,076	950	53,038
France	65,178	—	6,664	—	—	71,842
Germany, West	290,361	18,415	126,832	54,767	141,106	631,481
Italy	13,055	9,083	543,389	13,946	37,374	616,847
Malta	—	—	203	—	508	711
Netherlands	145,739	16,089	449,706	43,317	14,620	669,471
Norway	6,450	—	6,958	—	—	13,408
Poland	—	—	3,960	—	—	3,960
Rumania	—	7,771	6,200	1,150	—	15,121
Sweden	800	12,021	3,650	5,490	1,800	23,761
Switzerland	300	646	15,166	420	1,450	17,982
United Kingdom	432,792	2,495	263,908	12,808	2,723	714,726
Yugoslavia	1,000	—	—	—	500	1,500
Japan	—	—	218,055	—	—	218,055
Lebanon	7,875	—	—	—	—	7,875
Madeira Islands	6,907	—	—	—	—	6,907
North Africa	24,194	—	1,785	—	—	25,979
South Africa	8,168	—	—	—	—	8,168
Total	2,481,016	78,590	1,863,913	167,938	210,592	4,802,049

ITALY HAS LARGE WHEAT CROP

Italy's 1959 wheat crop is officially estimated at about 335 million bushels, compared with the record of 360 million bushels in 1958. The current estimate has been exceeded only twice, in 1955 and 1958.

The greatest reduction from last year's record harvest was in northern and central regions. Production in southern regions, where most of the durum is grown, is reported unchanged from a year ago. The estimate for the current crop includes 272 million bushels of soft wheat and 63 million of durum.

Excessive rain during the ripening period reduced the quality of the crop in many areas.

CANADA TO BUILD PROCESSING
PLANT FOR TALL OIL

A Canadian company plans to construct a \$1-million plant to process crude tall oil at Burlington, Ontario. The plant reportedly will be completed in July 1960.

Crude tall oil supplies will be obtained from a group of kraft pulp producers. The oil will be used to make rosin and fatty acids, which will replace imported U. S. materials and, to a large extent, be further processed into pale rosin sizing for the paper industry.

CANADIAN WHEAT AND FLOUR
EXPORTS REMAIN LOW

Canadian wheat and flour exports during 1958-59 (July-June) are expected to be approximately 6 or 7 percent below the 317 million bushels exported during 1957-58.

Exports during the first 11 months (July-May) of 1958-59 were 269 million bushels, compared with 286 million in the comparable period a year earlier. Wheat was down about 15 million bushels and flour about 2.5 million.

Wheat exports to India, the Netherlands, and the U.S.S.R. during July-May 1958-59 were about 28 million bushels below exports to these countries in the preceding year. Slight gains were made in exports to West Germany, Ireland, Japan and many other countries. Smaller shipments of flour to Venezuela and the Philippines accounted for most of the overall reduction in flour exports during July-May 1958-59.

Total wheat and flour exports during the first 11 months (August-June) of the 1958-59 Canadian crop year are expected to be approximately 275 million bushels, compared with 295 million during August-June 1957-58.

**WHEAT AND FLOUR: Canadian exports by country of destination,
July-May 1957-58 and July-May 1958-59**

Destination	July-May 1957-58			July-May 1958-59		
	Wheat	Flour 1/	Total	Wheat	Flour 1/	Total
	1,000	1,000	1,000	1,000	1,000	1,000
	bushels:	bushels:	bushels:	bushels:	bushels:	bushels:
Western Hemisphere:						
United States	6,630:	1,591:	8,221:	3,294:	1,451:	4,745
British West Indies ..	3:	4,552:	4,555:	4:	4,656:	4,660
Central America	231:	1,448:	1,679:	137:	1,656:	1,793
Cuba	1:	464:	465:	2:	304:	306
Ecuador	212:	--	212:	1,164:	--	1,164
Peru	1,615:	33:	1,648:	1,845:	27:	1,872
Venezuela	621:	3,290:	3,911:	2,743:	971:	3,714
Others	183:	1,569:	1,752:	--	1,536:	1,536
Total	9,496:	12,947:	22,443:	9,189:	10,601:	19,790
Europe:						
Austria	2,213:	--	2,213:	2,976:	--	2,976
Belgium-Luxembourg ...	11,915:	302:	12,217:	10,480:	330:	10,810
France	754:	--	754:	1,326:	--	1,326
Germany, West	28,329:	--	28,329:	30,072:	--	30,072
Ireland	1,756:	1:	1,757:	3,758:	--	3,758
Italy	679:	--	679:	1,300:	1:	1,301
Netherlands	19,818:	1:	19,819:	9,995:	6:	10,001
Norway	3,446:	--	3,446:	3,579:	--	3,579
Poland	2,450:	--	2,450:	3,791:	--	3,791
Switzerland	8,277:	2/	8,277:	6,666:	--	6,666
United Kingdom	84,251:	12,232:	96,483:	82,013:	12,702:	94,715
U.S.S.R.	11,314:	--	11,314:	4,743:	--	4,743
Others	1,422:	154:	1,576:	1,848:	137:	1,985
Total	176,624:	12,690:	189,314:	162,547:	13,176:	175,723
Asia:						
Ceylon	--	1,644:	1,644:	--	1,843:	1,843
China	1,648:	13:	1,661:	1,643:	--	1,643
India	19,099:	20:	19,119:	7,531:	2:	7,533
Israel	356:	151:	507:	1,894:	--	1,894
Japan	33,661:	705:	34,366:	37,198:	838:	38,036
Pakistan	3,526:	1:	3,527:	2,327:	2/	2,327
Philippine Republic ..	--	4,657:	4,657:	1,093:	2,959:	4,052
Others	309:	1,745:	2,054:	625:	1,596:	2,221
Total	58,599:	8,936:	67,535:	52,311:	7,238:	59,549
Africa:						
Union of South Africa :	--	--	--	5,781:	--	5,781
Others	616:	1,136:	1,752:	301:	2,139:	2,440
Total	616:	1,136:	1,752:	6,082:	2,139:	8,221
Oceania	1,441:	41:	1,482:	--	16:	16
Unspecified 3/	4,058:	--	4,058:	5,411:	--	5,411
World total	250,534:	35,750:	286,284:	235,540:	33,170:	268,710

1/ Grain equivalent. 2/ Less than 500 bushels. 3/ Includes seed wheat.

Source: Board of Grain Commissioners for Canada.

AUSTRALIA HARVESTS RECORD PEANUT CROP

A record peanut crop, estimated preliminarily at 28,000 short tons, has just been harvested in Queensland, Australia. The previous record was 26,200 tons, in 1947, while last year's crop was 20,500 tons. Queensland is the principal producing state; small quantities are grown in New South Wales and Western Australia.

Queensland's peanut plantings in the 1958-59 season rose sharply to 60,000 acres, compared with 34,739 acres in 1957-58. The increase was due partly to a switch from dairying and flaxseed-growing and partly to higher prices paid by the Queensland Peanut Marketing Board as a result of the recent increase in tariff rates for peanuts and peanut oil. The increased protection now given the industry has inspired confidence in the crop, and further expansion seems likely.

The Queensland industry is now about meeting the demand for edible nuts and part of the demand of the oil market. However, considerable oil has to be imported. The Minister of Primary Industry recently called for a policy that would stimulate a large enough acreage increase to supply all requirements for edible and crushing nuts.

WEST BENGAL HAS RICE SHORTAGE

In West Bengal, India, a shortage of rice--the staple diet--has caused prices to soar higher than the purchasing power of the middle and low-income groups. Common varieties are selling on the Calcutta open market at \$7.14 to \$8.17 per 100 pounds, while the prices of fine varieties range between \$8.93 and \$10.21 per 100 pounds.

The shortage is mainly the result of a small crop in 1958-59. Although the other states of India had record crops, delayed rains in West Bengal at planting time seriously reduced the harvest there. West Bengal's 1958-59 crop was 4.05 million long tons of milled rice, compared with 4.3 million tons in 1957-58, and with the average of 4.3 million tons from 1950-51 through 1954-55. The requirements are over 5 million tons.

In contrast to West Bengal's normal rice deficit of 400,000 to 500,000 tons a year, the 1958 deficit was around a million tons and for 1959 it is still higher. The state government is trying to meet the needs of the low-income groups by supplying rice and wheat at fixed prices through modified ration shops.

The central government has recently supplied the state government another 200,000 tons of food grains beside the 900,000 tons previously allocated to meet the state's food deficit. The increased demand from West Bengal has posed a serious problem for the central government, which is trying to limit imports.

SOYBEAN OIL HYDROGENATION PLANT PLANNED IN VENEZUELA

Private interests in Venezuela plan to build a soybean oil hydrogenation plant with an annual operating capacity of 6,000 metric tons. In addition, an extraction plant already in operation will be expanded to a capacity of around 25,000 metric tons of soybeans per year. The extracted soybean oil will be used to supply the hydrogenation plant and the meal to satisfy demand from a rapidly expanding mixed feed industry.

THAILAND REDUCES RICE EXPORT PREMIUMS

The Thai Government on June 17 lowered its export premiums on the lower grades of white rice and all grades of broken rice. The premium reduction is effective only until September 30.

The temporary premiums permit price decreases of 80 bahts (\$3.71) per metric ton (17 cents per 100 pounds) on 25-percent broken and lower grades of white rice, and 120 baht (\$5.71) per metric ton (26 cents per 100 pounds) on all grades of broken white rice for export.

A new schedule of export prices reflecting the reduced export premiums was announced by the Foreign Trade Department June 23. All grades of white broken rice, except Al Super, were reduced around 17 to 26 cents per 100 pounds. Prices of better-grade rice are unchanged (see Foreign Crops and Markets, July 6, 1959).

AUSTRALIAN TRADE GROUPS PRESS FOR LOWER FREIGHT RATES

Representatives of 13 Australian export groups including Government Marketing Boards, Australian Council of Wool Buyers, Associated Chambers of Commerce, Associated Chambers of Manufacturers, Wool and Meat Producers Federation, and Graziers Federal Council have united to negotiate a formula for lower freight rates for exports to Europe.

The present formula for fixing rates is based on a cost-plus system and guarantees the 22 British and European shipping lines, members of the Overseas Shipping Representatives' Association, a 12-percent return on capital used in shipping Australian products overseas, after allowance for depreciation on vessels.

Current freight contracts between the exporters and the shipping association are due to expire between August 31, 1959, and January 31, 1960.

About 14 percent of Australia's annual overseas expenditures are now used in meeting its net deficit in freight and insurance charges on cargo shipments. Savings in these costs could have a significant effect on Australia's balance of payments as well as Australia's ability to compete in European markets.

CHILEAN BEAN AND LENTIL CROPS DOWN SHARPLY

Chile's 1959 bean harvest, now estimated at 64,000 metric tons, is 25 percent below last year's crop. This loss of about 21,000 tons is due to excessive rain, floods, and high humidity. Principal damage was in the south, where domestic-type beans predominate. Production of exportable-types, mainly in the north, appears only slightly affected quantity-wise but quality is reported to have suffered considerably.

Chilean retail prices of beans have doubled in the last month and imports for consumption may be necessary (see Foreign Crops and Markets, May 18, 1959). At the same time, some export-type beans have been marketed abroad.

Normally Chile produces 1,750,000 bags of beans per year, exports 525,000 bags, and consumes 1,225,000. If consumption in 1959-60 is to be maintained at normal levels, net exports would have to be reduced to no more than 200,000 bags, less than 40 percent of normal.

The 1959 lentil crop is now estimated at 9,140 metric tons, compared with 13,100 in 1958 and an annual average of 12,960 from 1949 to 1959.

CANADA USING MORE COTTON

Cotton consumption in Canada during the first 11 months (August-June) of this season totaled 343,000 bales (500 pounds gross)--up 6 percent from the 323,000 bales used in the corresponding 1957-58 period.

Consumption in June 1959 was 31,000 bales, an increase of 3 percent from May consumption of 30,000 bales and 15 percent above the 27,000 bales used in June 1958.

COTTON CONSUMPTION IMPROVING ABROAD; LARGER IMPORTS EXPECTED

The rate of cotton consumption in many foreign Free World importing countries is increasing.

A number of factors point to further recovery from the textile recession and larger raw cotton imports in the 1959-60 season beginning August 1. These include better consumer demand for cotton textiles, some reductions in cotton textile inventories, prospectively lower cotton prices, and some rebuilding of raw cotton stocks which have drifted to relatively low levels in many importing countries.

Although aggregate consumption in principal foreign Free World importing countries from August 1, 1958 to April or May 1959 was still about 10 percent below that a year earlier, most areas show increases in recent months--especially Spain, Portugal, and Hong Kong. In Canada, India, Italy, the Netherlands, Norway, and Sweden, consumption is near the 1957-58 level. However, both consumption and imports of cotton have declined in the United Kingdom, Japan, and West Germany.

COTTON: Consumption, imports, and current stocks in principal foreign Free World importing countries, for specified periods of 1957-58 and 1958-59

(Bales of 500 pounds gross)

Country	No. of mos.	Consumption		Imports		Stocks		Change in stocks since Aug. 1, 1958	
		1957-58	1958-59 1/	1957-58	1958-59 1/	Aug. 1 1958	Current (computed)	+	-
		1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Austria.....	8	80	75	78	71	30	26		4
Belgium.....	7	250	219	272	231	131	143	12	
Canada.....	7	213	214	199	156	110	52		58
Denmark.....	8	28	25	35	22	13	10		3
Finland.....	10	60	57	49	62	21	26	5	
France.....	9	1,076	879	783	822	340	283		57
Germany, West....	9	1,112	1,015	1,175	834	400	219		181
Hong Kong.....	9	201	212	199	228	53	69	16	
India.....	7	2,603	2,585	179	133	1,925	2/ 3,329	3/	
Italy.....	7	498	483	488	433	260	4/ 245	3/	
Japan.....	9	1,868	1,710	1,802	1,708	536	534		2
Netherlands.....	8	232	225	226	199	97	71		26
Norway.....	8	15	14	14	13	5	4		1
Portugal.....	8	134	139	167	172	52	85	33	
Spain.....	8	239	323	116	290	90	5/ 232	3/	
Sweden.....	8	100	91	115	74	114	97		17
Switzerland.....	9	149	122	167	114	122	114		8
United Kingdom..	8	1,045	854	1,005	663	527	336		191
Total.....		9,903	9,242	7,069	6,225	4,826	5,875	6/ 66	6/ 548
Total excluding							Net		
India, Italy & Spain		6,563	5,851	6,286	5,369	2,551	2,069	change	-482

1/ Preliminary and partly estimated. 2/ Includes crop of 4,060,000 bales minus exports of 204,000 bales.
 3/ Not calculated because of incoming crop. 4/ Includes crop of 35,000 bales. 5/ Includes crop of 175,000 bales. 6/ Excluding India, Italy, and Spain.

PORTUGUESE COLONIAL COTTON PRICES REDUCED

The support price for 1959-crop cotton grown in the Portuguese colonies of Angola and Mozambique has been set at 17.30 escudos per kilogram (27.47 cents per pound), for average qualities, c.i.f. Lisbon. The support has been 19.30 escudos per kilogram (30.64 cents per pound) in recent years. The reduction will give Portuguese mills some degree of relief by bringing prices of colonial cotton more in line with prices of other growths in world markets.

Importers in Portugal are required to furnish mills a maximum of 188,000 bales (500 pounds gross) of colonial cotton from the 1959 harvest. Of this quantity, 21,000 bales must be low-grade cotton (Types 5 and 6).

INDIA'S 1958-59 COTTON CROP BELOW LAST YEAR'S

The 1958-59 cotton crop in India, estimated at 4,060,000 bales (500 pounds gross), is 8 percent below the record 1957-58 crop of 4,425,000 bales, and slightly below average production of 4,090,000 bales in the past 5 seasons 1953-57. Unfavorable weather in some areas reduced this year's crop.

Harvested acreage this year will be close to the 20,158,000 acres harvested in 1957-58, according to the latest official estimates. Acreage decreases in the states of Mysore and Rajasthan were offset by increased plantings in Bombay, Andhra Pradesh, and Punjab.

Since December 1958, cotton consumption in India has been running slightly higher than a year earlier, owing to some improvement in the textile situation. Cloth offtake in local markets has reportedly picked up and accumulated stocks of finished goods have been reduced somewhat. Indian cotton mills used 3,471,000 bales during the first 10 months (August-May) of this season. This was slightly above the 3,441,000 bales consumed in the same months a year earlier. It now appears that total consumption in 1958-59 will exceed the 4,340,000 bales used in 1957-58. Consumption in homes, and other nonmill uses, is estimated at around 240,000 bales annually.

India's cotton exports have increased considerably thus far in 1958-59 compared with a year earlier. The government has encouraged exports this season as a means of accruing foreign exchange. To make Indian cotton more competitive in world markets, the export tax was reduced in November 1958 from 2.68 cents to 1.34 cents a pound.

Preliminary statistics for August-May 1958-59 show Indian exports of 273,000 bales--up 67 percent from 163,000 bales in the corresponding 1957-58 period. Japan has been the largest purchaser. Other principal buyers are Hong Kong, Communist China, France, United Kingdom, Italy, Belgium, and the United States.

Imports of 133,000 bales of cotton into India during August-February 1958-59 were down 26 percent from imports of 179,000 bales a year earlier. Major sources were Kenya, Egypt, and Sudan.

Cotton stocks held by mills at the end of March 1959 were reported at 1,011,000 bales--down 14 percent from the 1,180,000 bales held a year earlier. Imported cotton accounted for 61,000 bales or 6 percent of total stocks on March 31, in contrast to 120,000 bales or 10 percent at the end of March 1958.

Spot prices on the Bombay market have strengthened since October 1958, as a reduction in imports of foreign cotton and an outlook for a smaller domestic crop in 1958-59 strengthened local demand. Spot quotations at Bombay on June 17, 1959, excluding export taxes, were: Broach Vijay, Fine, 13/16-inch, 25.37 U. S. cents per pound; Jarila, Fine, 25/32-inch, 19.54 cents; and Bengal Desi, Fine, 17.85 cents per pound. Comparable quotations on October 30, 1958, were: Broach Vijay, 21.45 cents per pound; Jarila, 17.43 cents; and Bengal Desi, 14.75 cents per pound.

EGYPT REDUCES COTTON ACREAGE FOR 1959-60

Egyptian cotton acreage for 1959-60 is expected to be 8 percent below 1958-59 plantings. The first official acreage estimate, released July 15, places it at 1,827,000 acres, against the final acreage of 1,977,000 last season.

Extra-long staple Karnak plantings are unofficially estimated at more than 50 percent below 1958-59 and long staple Ashmouni acreage at about 15 percent lower. Extra-long staple Menoufi plantings are near last season's level, while medium-long staple Giza acreage is about 85 percent higher.

Cool weather delayed planting of the 1959-60 crop by 10 to 15 days. However, the crop is reportedly making good progress with no unusual disease or insect problems.

Egypt's 1958-59 cotton crop was 10 percent above 1957-58's, and was the largest since 1937-38. Almost all of the 1958-59 increase was in extra-long staples, principally Menoufi.

Export demand for Egyptian cotton picked up considerably last spring after prices, especially of extra-long staple, dropped to record lows. Demand for foreign extra-long staples has strengthened recently, and Egyptian prices have advanced 5 to 6 cents a pound. However, current prices for Egyptian cotton are still about 17 cents a pound below those of January 1958, and more than 45 cents below January 1957 prices, reflecting a large world surplus of Egyptian-type cotton. C.i.f. Liverpool quotations on July 9 for Karnak Fully Good and Menoufi Fully Good were 36.56 cents and 38.61 cents a pound, respectively.

(Continued on following page)

Cotton exports from Egypt during August-April 1958-59 were 1,016,000 bales--up 9 percent from exports of 930,000 bales in the same months a year earlier. Russia continues to be the largest buyer, followed by Czechoslovakia and Communist China. Communist countries received 662,000 bales (65 percent) of Egypt's total exports during August-April 1958-59, compared with 571,000 bales (61 percent) in the same period of 1957-58.

Egypt continues to use price discounts to promote sales of cotton for hard currencies, especially to Western European countries. New-crop cotton for October-November delivery is currently being offered in Western Europe at discounts of from 35 to 38 percent. In an attempt to prevent reexports of Egyptian cotton to Western Europe, especially from Communist countries, Egypt announced in April that sales contracts by exporters must include a clause requiring the importer to certify that the cotton will be consumed in the recipient country. The effectiveness of this ruling remains to be seen.

Cotton consumption in Egypt has increased in recent years and the outlook for 1958-59 is for a further increase of from 5 to 10 percent from the 445,000 bales used in 1957-58. Although the use of extra-long staple cotton is increasing, long staple Ashmouni still accounts for around two-thirds of total domestic consumption.

Raw cotton stocks on May 13 were estimated at 1,115,000 bales, compared with 952,000 bales a year earlier.

INDONESIAN EXPORTS OF COPRA AND OIL PALM PRODUCTS DOWN IN 1959

Total Indonesian copra exports, registered and unregistered, for the first 5 months of 1959, are estimated at 96,000 long tons, about half the comparable shipments of 1958.

Unrecorded shipments included in the 5-month totals for 1959 are estimated at 45,400 long tons, or only one-fourth the clandestine shipments for January-May 1958. On the other hand, registered exports during the 5-month period of 1959 totaled 50,600 long tons, against only 19,600 tons in 1958. About 10,000 tons of copra were exported legally from Indonesia in May 1959.

Copra cake exports of 8,420 long tons in April and 9,987 tons in May brought shipments for the first 5 months to 37,594 tons, 11 percent below shipments in the comparable period of 1958.

Palm oil exports for January-May totaled 39,417 gross short tons, a decline of 14 percent from the first 5 months of 1958. April shipments were 8,289 tons, and May exports were 6,369 tons.

Palm kernel exports of 11,579 short tons in January-May were 17 percent below those of the corresponding period of 1958. April shipments were 3,187 tons, and those in May were 2,417 tons.

U. S. IMPORTS OF VEGETABLE FIBERS IN 1958
LARGER IN QUANTITY BUT SMALLER IN VALUE

Vegetable fibers (except cotton) imported into the United States in 1958 were 287,645 long tons valued at \$44.5 million. This was 19 percent more than the 242,697 tons in 1957, but 21 percent less than the value of \$56 million. Although the quantity was the highest and the value the lowest of the past 4 years, both were less than the 1951-55 averages by 6 percent and 54 percent, respectively.

Hard fibers, the principal group, increased in quantity in 1958 after a 7-year decline; but the value continued downward. This group accounted for most of the gain in total fiber quantity and \$3.7 million of the loss in total value.

Soft fibers, mostly jute, decreased in 1958 from 1957 by about 24,000 tons and \$7.5 million. This group accounted for the largest part of the total decrease in value last year. Palm-type fibers fell in both quantity and value. "Miscellaneous" soft fiber imports were larger in quantity but smaller in value.

Quantity wise, the largest individual 1958 increases over 1957 were in sisal and henequen (important cordage fibers), but these increases were partly offset by a sizable decrease in jute and smaller decreases in abaca and flax. Other changes were small, with principal gains in kapok and palm fiber imports and noticeable losses in coir, sunn, crin vegetal, and hemp.

The value of henequen and istle imports was greater than in 1957, but that of jute, abaca, and sisal was considerably smaller. Most other fiber imports declined in value. Sisal, kapok and "other miscellaneous fibers" were the only ones to gain in quantity while they lost in value.

The average unit value of sisal fell from \$144 per long ton in 1957 to \$77 in 1958. This was largely due to a considerable increase in imports from Brazil at a lower average market price than shipments from Haiti, British East Africa, and other principal areas of origin. However, the average unit value of sisal from most countries was less in 1958 than in 1957, possibly due to the inclusion of sizable quantities of tow, for which the price was lower than for long fiber.

Kapok imports from Thailand and Indonesia (the principal sources) were 23 and 59 percent larger, respectively, in 1958 than in 1957, but the average unit values were less. The average value of Thai kapok fell from \$559 to \$452 per ton, and that of Indonesian from \$662 to \$448.

Imports of jute fiber in 1958 compared with 1957 were less by 22,272 tons and \$6.7 million. Pakistan furnished 94 to 96 percent of the total quantity. Therefore, the decline of 22,224 tons and \$6.5 million in imports from Pakistan accounted for most of the drop in total jute imports. The average unit value of Pakistani jute fell (from 1957 to 1958) from \$250 to \$235 per ton for long fiber and from \$146 to \$80 for butts. One reason for the lower unit price was a plentiful world supply and purchase of lower grades of fiber, and more restricted supplies of some of the better grades.

UNITED STATES DEPARTMENT OF AGRICULTURE

WASHINGTON 25, D. C.

Official Business

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

(PMGC)